- As against normal applicable duty of 50 per cent, allowing private trade to import wheat at 5 per cent duty from June 28, 2006, and at zero duty from September 9, 2006.
- Decision to release up to 4 lakh tonnes of wheat under Open Market Sale Scheme in February and March 2007.
- Ban on export of wheat from February 9, 2007.
- Reduction in customs duty on import of pulses to zero on June 8, 2006.
- Ban on export of pulses with effect from June 22, 2006.
- NAFED importing 49,300 tonnes of pulses. Under a new contract executed by NAFED in December 2006 to import 30,000 tonnes of pulses, 10,675 tonnes had been shipped by February 13, 2007.
- To contain volatility in the futures prices of wheat, sugar and pulses, Forward Markets Commission (FMC) has imposed limits on open position, reduced limits on daily fluctuations and imposed additional/special margins.
- Ban on futures trading in tur and urad from January 24, 2007.
- Reduction in import duty on palm group of oils by 10 percentage points in August 2006 and by a further 10-12.5 percentage points in January 2007. Maintaining tariff value for assessing import duty unchanged at July 2006 level.
- Ban on export of skimmed milk powder.
- Steps were taken by Reserve Bank of India to reduce liquidity in the system by increasing the cash reserve ratio and repo rates.

Outstanding tax arrears

*30.SHRI K. CHANDRAN PILLAI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that there is an outstanding tax arrears to the tune of Rs. 1,19,000 crores to be recovered from companies/individuals;

(b) the details of the names of the companies/individual defaulters alongwith the details of outstanding arrears of each company/individual, company-wise and individual-wise; and

(c) the steps taken by Government to recover the amount alongwith details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) The outstanding arrears of taxes as on 31.12.2006 are as under:—

(i) Direct Taxes - Rs. 95,698 crores

(ii) Indirect Taxes - Rs. 25,802 crores

(b) The details of the names of the companies/individual defaulters along with the details of outstanding arrears of each company/individual, company-wise and the list of these names would be quite bulky and the time and labour involved in its collection/compilation may not be commensurate with the objectives sought to be achieved. However, in respect of indirect taxes, the Department has started publishing the details of defaulters on its web site www.cbec.gov.in.

(c) Recovery of arrears in an on going process. The Government has taken a number of steps to recover the outstanding amount which include constitution of Task Forces to develop and implement a multi-pronged strategy for effecting substantial recovery from arrears of direct and indirect taxes.

As far as direct taxes are concerned, the steps taken for collection and liquidation of arrears of taxes include—identification of cases where recovery of arrears can be made during the course of the financial year through special efforts; identification of high-demand cases pending before the Commissioners (Appeals) and ITAT, particularly the ones where recovery of substantial demand is likely on disposal of appeal and requesting the Commissioners (Appeals) for early disposal of such cases; liaising with the Settlement Commission for early disposal of cases involving high demand and monitoring collection of resultant demand during the financial year itself; Tax Recovery Officers to exercise the powers for appointment of receiver for business under the provisions of rule 69 of Schedule II of the Income-tax Act for effecting recovery in suitable cases; in respect of non-compliant defaulters, the provisions of arrest and detention as per the provisions of rules 73 to 81 of Schedule II to be

invoked by the TRO; demand to be recovered forthwith in cases where favourable Tribunal/Court orders are received; Investigation Wings at the important centers to aid recovery process by way of conducting surveys and/or secret enquiries to identify the assets for recovery in important cases.

So far as indirect taxes are concerned, the strategy devised for expeditious collection of arrears is as under:

(a) Regular review of progress made in arrears recovery at the level of Commissioners/Chief Commissioners;

(b) moving applications for vacation of stay orders in important cases;

(c) filing early hearing applications in Courts/CESTAT;

(d) targeting defaulters with coercive action;

(e) persuading major units to pay outstanding arrears;

(f) follow-up action in cases pending in BIFR/DRT/OL/COD;

(g) quick realisation of arrears involved in favourable orders of CESTAT/Courts; and

(h) posting of defaulters list on the CBEC website.

Rise in WPI based inflation

*31. SHRI S.M. LALJAN BASHA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Wholesale Price Index based inflation touched 6.11 per cent in the last week of January, 2007;

(b) whether it is also a fact that prices of vegetables, milk and fruits rose to an inflationary increase of 7 per cent by end of January, 2007;

(c) what are the reasons for Government not using the monetary tools to control the high rates if price rises;

(d) whether any explanation can be given for the policy disconnect between Government and the RBI in controlling inflation; and

(e) if so, the details thereof?